New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

September 9, 2011

United States

Economic Indicators—Schedule and Forecasts
September 12 - September 23, 2011

Sinai/Ellis/Edelstein

f= DE forecast c=consensus a=advance s=second t=third r=revised

12

3-and 6-Month Bills (11:30)
$56.0 Billion

3-Year Note (13:00)
$32.0 Billion

Fisher Speech (16:00)
(NABE Conference – Dallas, TX)

Bullard Speech (20:00)
(St. Louis Fed Event)

13

ICSC/Goldman Sachs Chain Sales
(7:45) (9/10)

Import Prices (Non-Fuel, Y/Y)
(8:30)

Mar	4.4%	Jun	5.0%
Apr	4.6%	Jul	5.5%
May	4.6%	**Aug (f)**	**5.5%**

Redbook Chain Sales (8:55)
(9/10)

4-Week Bill (11:30)
$30.0 Billion (f)

10-Year Note (13:00)
$21.0 Billion

Treasury Statement (14:00)
($ Billions)

	2011	2010
Jun	-43.1	-68.4
Jul	-129.4	-165.0
Aug (f)	**-135.0**	-90.5
Aug (c)	**-132.0**	

14

Producer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.4%	0.3%
Jul	0.2%	0.4%
Aug (f)	**0.1%**	**0.3%**
Aug (c)	**-0.1%**	**0.2%**

Advance Retail Sales (8:30)

	Total	Ex-Auto
Jun	0.3%	0.2%
Jul	0.5%	0.5%
Aug (f)	**0.5%**	**0.4%**
Aug (c)	**0.2%**	**0.2%**

Business Inventories, Sales
(10:00)

	Inven.	Sales	I/S
May	1.0%	-0.2%	1.279
Jun	0.4%	0.5%	1.277
Jul (f)	**0.6%**	**0.8%**	**1.275**
Jul (c)	**0.5%**		

30-Year Bond (13:00)
$13.0 Billion

15

Initial Claims (8:30)

8/27	412	**9/10 (f)**	**410**
9/3	414	**9/10 (c)**	**411**

Consumer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.2%	0.3%
Jul	0.5%	0.2%
Aug (f)	**0.3%**	**0.2%**
Aug (c)	**0.2%**	**0.2%**

Empire State Manufacturing Survey
(8:30)

	Total	Prices
Jul	-3.7	43.3
Aug	-7.7	28.2
Sep (f)	**-7.0**	**24.2**
Sep (c)	**-4.0**	

Current Account ($ Billions) (8:30)

10:Q4	-112.2	**11:Q2 (f)**	**-123.5**
11:Q1	-119.3	**11:Q2 (c)**	**-122.9**

Bernanke Speech (8:45)
(Systemic Risk Conference)

Industrial Production
& Capacity Utilization (9:15)

	Prod.	Util.
Jun	0.4%	76.9%
Jul	0.9%	77.5%
Aug (f)	**-0.2%**	**77.4%**
Aug (c)	**0.1%**	**77.5%**

Philadelphia Fed Survey (10:00)

	Total	Prices
Jul	3.2	25.1
Aug	-30.7	12.8
Sep (f)	**-29.0**	**13.4**
Sep (c)	**-15.0**	

Tarullo Speech (13:45)
(Systemic Risk Conference)

Monthly Money (16:30)
(SA, $ Billions)

	M1	M2
Jun	1947.4	9111.4
Jul	2006.1	9313.7
Aug (f)	**2104.0**	**9540.0**

16

Monthly TIC flows (9:00)
(Jul)

U of M Cons Sentiment Index
(9:55) (Prelim.)

May	74.3	Aug	55.7
Jun	71.5	**Sep (f)**	**56.5**
Jul	63.7	**Sep (c)**	**56.6**

U of M Inflation Expectations
(9:55) (Prelim.)

	1-Year	5-Year
Jul	3.4%	2.9%
Aug	3.5%	2.9%
Sep (f)	**3.5%**	**3.0%**

19

NAHB Housing Market Index
(10:00)

Apr	16	Jul	15
May	16	Aug	15
Jun	13	**Sep (f)**	**14**

3-and 6-Month Bills (11:30)
$56.0 Billion (f)

20

ICSC/Goldman Sachs Chain Sales
(7:45) (9/17)

Housing Starts (8:30)
(Units, Thousands, SAAR)

	Starts	Permits
Jun	613	617
Jul	604	601
Aug (f)	**585**	**600**

Redbook Chain Sales (8:55)
(9/17)

4-Week Bill (11:30)
$30.0 Billion (f)

52-Week Bill (11:30)
$25.0 Billion (f)

21

Existing Home Sales (10:00)
(Units, Millions, SAAR)

Mar	5.090	Jun	4.840
Apr	5.000	Jul	4.670
May	4.810	**Aug (f)**	**4.740**

FOMC Meeting & Statement
(14:15)

22

Initial Claims (8:30)

8/27	412	**9/10 (f)**	**410**
9/3	414	**9/17 (f)**	**410**

Leading Indicators (10:00)

Mar	0.7%	Jun	0.3%
Apr	-0.3%	Jul	0.5%
May	0.7%	**Aug (f)**	**0.1%**

10-Year TIPS
$13.0 Billion (f)

23

Dudley Speech (14:00)
(Deloitte/Bretton Woods Event)

Recent History-Latest Results

5

Holiday

6

ISM Non-Manufacturing
(10:00)

	Total	Prices
Jun	53.3	60.9
Jul	52.7	56.6
Aug	53.3	64.2

3-and 6-Month Bills (11:30)
$56.0 Billion

7

ICSC/Goldman Sachs Chain Sales
(7:45) (9/3)

Redbook Chain Sales (8:55)
(9/3)

4-Week Bill (11:30)
$30.0 Billion

FOMC Beige Book (14:00)
(Soft expansion in many regions with housing and jobs on the weak side, retail sales mixed, no recession message here.)

8

Initial Claims (8:30)

8/13	412	8/27	412
8/20	421	9/3	414

Trade Balance (8:30)
($ Billions, BOP Basis)

	Total	Merch.	Serv.
May	-50.2	-65.4	14.2
Jun	-51.6	-67.0	15.5
Jul	-44.8	-60.6	15.8

9

Wholesale Inventories (10:00)

Feb	1.0%	May	1.7%
Mar	1.3%	Jun	0.6%
Apr	1.1%	Jul	0.8%

Indicator Highlights

United States

The Producer Price Index (Wed., Sep. 14, 8:30 a.m.) should be watched for further signs that commodity price inflation is abating. A big deal for the Fed now is Retail Sales (Wed., Sep. 14, 8:30 a.m.), a key indicator for consumption, sometimes marking well the direction of aggregate consumer spending. The consumer is central to the expansion, its risks, and extent. The Consumer Price Index (CPI-U) (Thu., Sep. 15, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed. The Empire State Manufacturing (Thu., Sep. 15, 8:30 a.m.) and Philadelphia Fed Manufacturing (Thu., Sep. 15, 10:00 a.m.) surveys are important indicators of regional manufacturing activity that can foreshadow the national picture. Trouble on exports, tied to the global economy, would show up here. The indices have dipped into negative territory recently, suggesting fading industry strength. Industrial Production & Capacity Utilization (Thu, Sep. 15, 9:15 a.m.) will give a detailed read on industrial-side activity and be watched for whether manufacturing is shrugging off recent supply disruptions. Also of interest is slack, as measured by capacity utilization. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Sep. 16, 9:55 a.m.) will provide an initial look at consumer attitudes in September. Consumer sentiment retreated sharply last month on concerns over the economic outlook and policy makers' wrangling over the debt ceiling. Inflation expectations in the survey are also important, particularly for Fed-watching.

Housing Starts (Tue., Sep. 20, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% of real GDP now. Builders remain pessimistic about demand prospects. Existing Home Sales (Wed., Sep. 21, 10:00 a.m.) will offer a glimpse of demand conditions in the broad housing market. Underlying demand for homes appears to have stabilized, but at a low level.

Indicator	Forecast	Consensus	Analysis
Import Prices (Non-Fuel, Y/Y)	+5.5%		Materials prices and dollar both pointing to a relatively big year-on-year rise.
Treasury Statement	-$135.0 Billion	-$132.0 Billion	Deficit jumps from year ago figure.
Producer Price Index			
Total	+0.1%	-0.1%	Energy prices fall this month, but core prices not easing.
Ex-Food & Energy	+0.3%	+0.2%	
Advance Retail Sales			
Total	+0.5%	+0.2%	Gasoline prices boost the ex-auto numbers a bit, but other sales categories continue to rise
Ex-Auto	+0.4%	+0.2%	modestly – no negative signals.
Business Inventories, Sales			
Inventories	+0.6%	+0.5%	Inventories edge higher helped by retail sector.
Sales	+0.8%		
I/S	1.275		
Consumer Price Index			
Total	+0.3%	+0.2%	Gasoline prices jump; core holds steady.
Ex-Food & Energy	+0.2%	+0.2%	
Empire State Manufacturing Survey			
Total	-7.0	-4.0	Slight rebound.
Prices	24.2		Modest decline in prices.
Current Account	-$123.5 Billion	-$122.9 Billion	Goods and services deficit worsens slightly.
Industrial Production	-0.2%	+0.1%	Small decline centered on manufacturing.
Capacity Utilization	77.4%	77.5%	
Philadelphia Fed Manufacturing Survey			
Total	-29.0	-15.0	Small improvement.
Prices	13.4		Slight move upwards.
Monthly Money (SA)			
M1	+$97.9		Big increase in M1 and M2.
M2	+$226.3 Billion		
U. of M. Consumer Sentiment Index (Prelim.)	56.5	56.6	Small move upwards, but not much optimism.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.5%		Long-term inflation moves upward.
5-Yr Ahead (Median)	3.0%		
NAHB Housing Market Index	14		Small step backwards.
Housing Starts (Units, SAAR)	585,000		Weather damage, on top of already poor market conditions.
Housing Permits (Units, SAAR)	600,000		
Existing Home Sales (Units, SAAR)	4.740 Million		Would be higher if not for cancellations.
Leading Indicators	+0.1%		Another M2 surge keeps index moving higher; other components mostly flat or negative.

Assessment

Economic growth – in the U.S. and globally – weakening mid-year in part due to higher inflation, especially energy costs. U.S. facing a weak consumer and state & local government cutbacks. Some second half improvement likely. The industrial side of the U.S. and global economies is also softer, and U.S. exports are vulnerable to overseas weakness. "Off-shore" risks remain from the effects of the European sovereign debt crisis on the economy and the financial system, and China's attempt to disinflate. Eurozone debt crisis looms larger as a threat. Slow growth and high unemployment appear entrenched in the U.S. Odds of some sort of "Double-Dip," particularly a "Japan-like" situation, are now higher. Fed divided internally on additional supportive measures, with large range of further stimulus possibilities under discussion.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 3rd Floor
London EC2M 4QB
Telephone: 011-44-20-7814-6706
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2011. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.